March 1, 2007

5200-4500/4700/4800/4900-59070-20

Dale Vardy, E.I.T. BC Core Business Team Petro-Canada Oil and Gas P.O. Box. 2844 Calgary AB T2P 3E3

Dear Mr. Vardy:

RE: COMMINGLED PRODUCTION, INTERIM APPROVAL AMENDMENT PC TOWNSEND c-96-G/94-B-9; WA# 7021

Oil and Gas Commission staff have reviewed the application dated February 15, 2007, and related e-mail dated February 21, 2007, requesting approval to commingle gas production from the Kobes field – Charlie Lake formation members and Artex formation with the Halfway "D" and Doig "C" pools previously approved for commingled production from the subject well on March 5, 2001.

The proposed completion interval of 1657.5 - 1659.0 mKB is mapped by the Commission as a portion of the Artex formation, therefore belonging to completion event 03. The various completions within the gross interval of 1515.0 - 1540.0 mKB would be noted as a single Charlie Lake (completion event 04), in keeping with historic mapping and reserves identification in the Kobes field.

The Halfway and Doig formations are producing at a combined total gas rate of 26 10³ m³/d, each zone allocated at 50% for reporting purposes. The proposed Artex and Charlie Lake zone completions are expected to contribute limited production, with commingle rates mitigating potential liquid loading. Gas from all zones has similar sour content.

We wish to advise that your application to commingle production from the Charlie Lake, Artex, Halfway and Doig formations is hereby granted **interim** approval, under the authority of Section 41 of the *Drilling and Production Regulation*, subject to the following conditions:

- 1. AOF and reservoir pressure reports must be filed for the Charlie Lake zone as per the requirements of Sections 84 and 95 of the *Regulation*.
- 2. A supplementary application for commingled production, with supporting test data, must be submitted, with proposed allocation factors for production reporting.
- 3. Formal approval for commingled production *will not* be authorized until the above listed conditions have been met.

Should you have any questions, please contact the undersigned at (250) 952-0310.

Sincerely,

Ron Stefik, AScT

Sr Reservoir Engineering Technologist